From:	Udi Knaani <Udi@fwmk-law.co.il>
To:	ehbarak <ehbarak1@gmail.com>
CC:	
Date:	Tue, 4/14/2015 9:35:16 PM
Subject:	Fwd: FST21 -

נשלח מה-iPhone שלי

תחילת ההודעה שהועברה:

מאת: Udi Knaani <Udi@fwmk-law.co.il>
תאריך: 14 באפריל 2015 בשעה 20:04:18 GMT+3
אל: Beat Ehrensberger <beat@gmfcapital.com>
עותק: Jossy Gellis <jossy.gellis@gellisobrasky.com>
נושא: בעניין: FST21 -

It must be with an agreement with FST. Those are 102 section requirements.
You has the right to appoint a director. At the closing you will use it to appoint Ehud, and you always entitled to remove and replace a director you nominated so you don't need any other document.
Best regards,
Udi

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ב-14 באפר׳ 2015, בשעה 19:37, Beat Ehrensberger <beat@gmfcapital.com> כתב/ה:

> Udi,
>
> You will get a copy of the standard Grant Letter being usually used by FST21, which Mr Barak shall receive once he's appointed as GMF representative on the FST Board.
>
> Again, I believe the order of events should be:
>
> 1) GMF to close the transaction with FST
> 2) Then, GMF to propose Mr Barak to be appointed to the FST Board as GMF representative
> 3) Then, FST to grant 3.5% ESOP shares as per the plan
>
> Steps 2 and 3 can be dealt with in a separate agreement between Mr Barak and GMF (unless you tell me that's not possible for tax reasons, but somehow there must be a relationship between Mr Barak and GMF as Mr Barak will officially represent GMF on the FST Board).
>
> On 14 Apr 2015, at 17:29, Udi Knaani <Udi@fwmk-law.co.il> wrote:

Beat,
As far as I remember, the understanding was that when you will invest and get your preferred shares, Ehud Barak shall be granted with options (under the company's ESOP to be granted to him as part of his nomination as a director) for 3.5% of the company share capital (on a fully diluted basis).
I still need to review the documents you sent but I think it should be handled in separate documents that are dealing with Mr. Barak's options.
I will be happy to discuss over the phone.

Best regards,

Udi

<image003.jpg>
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From: Beat Ehrensberger [mailto:beat@gmfcapital.com]
Sent: Tuesday, April 14, 2015 6:19 PM
To: Jossy Gellis
Cc: Udi Knaani
Subject: Re: FST21 -

There is no option agreement so far. I think what we actually need is a letter of appointment as Mr Barak will represent GMF on the Board of FST21. UDI - do you agree?

> On 14 Apr 2015, at 16:44, Jossy Gellis <jossy.gellis@gellisobrasky.com> wrote:
>
> Hi Udi,
>
> Please see attached. I don't have a copy of the D&O policy. I'm still waiting to receive the indemnity agreement.
>
> Beat, I have not been involved in the option agreement vis-à-vis Mr. Barak. Kindly let me know if you need me to draft anything.
>
> Best,
> Jossy
>
> **From:** Udi Knaani [mailto:Udi@fwmk-law.co.il]
> **Sent:** Tuesday, April 14, 2015 2:31 PM
> **To:** Jossy Gellis
> **Cc:** Beat Ehrensberger
> **Subject:** Re: FST21 -
>
> Hi Jossy,
> Thank you.
> Can you please send me the additional following documents:
> 1. Cap table - pre and post investment.
> 2. The draft of Ehud Barak's option agreement and the 102 plan of the company.
> 3. Proposed indemnification letter for the director (Mr. Barak) and the D&O insurance policy.

Thank you and best regards,

Udi

נשלח מה-iPhone שלי

ב-14 באפר׳ 2015, בשעה 13:56, Jossy Gellis <jossy.gellis@gellisobrasky.com> כתב/ה:

Hi Udi,

Please see attached the almost final versions of the SPA and AoA.

Please feel free to contact me, should you have any questions.

Best regards,
Jossy

Jossy Gellis, Adv.*
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*Admitted to the Bars of Israel and Switzerland.

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From: Beat Ehrensberger [mailto:beat@gmfcapital.com]
Sent: Tuesday, April 14, 2015 12:21 PM
To: Jossy Gellis
Subject: Fwd: FST21 -

Jossy,

Please can you send the latest documentation to Udi so they can have a look at them from their perspective.

Thanks.
Beat

Begin forwarded message:

From: Udi Knaani <Udi@fwmk-law.co.il>
To: Beat Ehrensberger <beat@gmfcapital.com>
Date: 13 Apr 2015 11:28:02 CEST
Subject: RE: FST21 -

Dear Beat,

Just a reminder for my request to get all the relevant documents to Mr. Barak before you are signing on the investment agreement.

Thank you and best regards,

Udi

<image001.jpg>
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From: Beat Ehrensberger [mailto:beat@gmfcapital.com]
Sent: Wednesday, March 25, 2015 6:20 PM
To: Udi Knaani
Subject: Re: FST21 -

Dear Udi,

I've been informed by Gary accordingly. I'll let the company know once we get there (we have to sort out a few issues first to get to a closing hopefully soon).

Best,
Beat

> On 25 Mar 2015, at 17:11, Udi Knaani <udi@fwmk-law.co.il> wrote:
>
> Dear Beat,
> Following my last e-mail, Mr. Barak updated me that he agreed with Gary that he will get the 3.5% as options under the ESOP plan (capital route for a director). No agreement will be made.
> Can you confirm and arrange that the relevant information and documentation with respect to those options shall be send to me?
> Thank you and best regards,
> Udi
>
> נשלח מה-iPhone שלי
>
> ב-23 במרץ 2015, בשעה 19:19, Udi Knaani <Udi@fwmk-law.co.il> כתב/ה:
>
> Dear Beat,
> Without expressing any opinion on the percentage allocated to Mr. Barak (it is a commercial issue I will leave to him to

comment), I would like to remind you that any agreement will bring Mr. Barak to a much bigger tax rate, therefore, we asked that Mr. Barak will get his options as a grant under section 102 (capital route) that shall be granted to him as a director in FST.
I am sure that align interest will always be there without any agreement.
You should also be aware that in most ESOP shares, the voting rights are not granted to the beneficial holder so it is another reason to waive any agreement between us.
Needless to write that as long as Mr. Barak holds (indirectly via the ESOP plan) options - voting is not relevant at all.
I will be available to a phone call if any clarification is required.
I would like to use this opportunity to ask you to forward me any relevant document (cap table, agreement concerning Mr. Barak role as a director and the amount snd terms of the options that will be granted to him).
Thank you and best regards,
Udi

נשלח מה-iPhone שלי

ב-23 במרץ 2015, בשעה 18:45,
Beat <beat@gmfcapital.com> Ehrensberger כתב/ה:

> Dear Udi,
>
> WITHOUT PREJUDICE / SUBJECT TO AGREEMENT
>
> I hope you returned well from Andorra.
>
> In terms of our planned investment, it seems the deal has been approved by the FST board

along our proposal. We negotiated an additional 3.5% as per the ESOP program (with a downside on the valuation, of course). Now, Gary has suggested that Mr Barak simply takes the 3.5% ESOP options and GMF and Mr Barak enter into a shareholders' agreement in order to align the interests (unless Mr Barak and you have changed your mind and you prefer to put everything in one investment entity of which Mr Barak shall get a proportionate percentage - but I understand from our various email exchanges and calls that this is not Mr Barak's preference due to tax disadvantages).

Please let me know if this simple structure would be acceptable for Mr Barak.

Best regards,

Beat Ehrensberger

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<YA_10016738_6_FST21 - GMF Financing - AOA 06 (YA 13.04.15)_GO.docx>

<YA_10006329_5_FST - Series D Financing - Cap table 01e (YA 01.04.15).XLS><YA_3052776_1_2008 Option Scheme.PDF>